THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) and (b) India's total trade with Pakistan has registered a positive growth of 43 per cent from US$ 144.01 million during 2000-01 to US $ 206.16 million during 2002-03 Even export of commodities like iron ore, iron and steel, plastic and linoleum products, machinery and instruments, residual chemicals and spices, has increased from US $ 35.90 million during 2001-02 to US $ 54.86 million during 2002-03 registering a positive growth of 50 per cent. However, export of sugar had shown a declining trend from US $ 42.75 million during 2001-02 to US $ 6.38 million during 2002-03. There is no specific reason for the decline in the export of this product except that volume of trade is primarily determined by various economic factors including, *inter-alia,* demand and supply, price competitiveness and alternative sources of supply available to the importers.

(c) Pakistan and India are signatories to the South Asia Free Trade Area (SAFTA) Agreement which is scheduled to come in to effect from 1.1.2006 and will give a significant boost to bilateral trade between the two nations. As a part of the Composite Dialogue, a meeting on Economic and Commercial Cooperation with Pakistan was held at Commerce Secretaries' level on 11 -12 August, 2004 in Islamabad for giving a positive direction to the economic activities between the two countries. Commerce and Industry Minister participated in the 4th SAARC Commerce Ministers Meeting in Islamabad on November 22-23, 2004. On this occasion, Commerce Ministers of India and Pakistan had a separate interaction to lay down a road map for promoting trade between the two countries. They agreed to set up a Joint Study Group at Commerce Secretaries' level for evolving a strategy for boosting trade between India and Pakistan. Of late, there has also been a visible increase in business to business dialogue through exchange of visits and participation in trade fairs and exhibitions, etc.

Infrastructure improvement to boost exports

1007. SHRIMATI N. P. DURGA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Government propose special policies to increase private investment in ports, railways etc., in a bid to improve infrastructure facilities in the country so as to achieve the export target of 21 per cent; and

(b) how exactly the scheme 'ASIDE' work in the States for boosting exports and equity participation in infrastructure projects?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) The Government evolves policies keeping in view its targets in various sectors, including in infrastructure like railways and ports. Some of the projects approved/ implemented with the help of private sector participation are as under:

(0 The rail connectivity to Pipavav and Mundra ports.

(ii) Gandhidham-Palanpur gauge conversion and Hassan - Mangalore gauge conversion projects.

(fit) The development of the third container terminal at the Jawaharlal Nehru port.

(iv) The development of an International container Transshipment Terminal at Cochin port.

(b) Under the Assistance to States for Development of Export Infrastructure and Allied Activities (ASIDE) scheme financial assistance is provided to State Governments for implementing infrastructure projects that are directly linked to exports. The ASIDE scheme encourages participation of the private sector and the State Governments in the projects.

Production of cigarettes and bidis

1008. PROF. ALKA BALRAM KSHATRIYA : Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government are aware that cigarettes and bidis are being produced in various States, illegally and without having proper license;

(b) if so, the details of such illegal producers; and

(c) the steps Government have taken or propose to take to curb the illegal manufacturing of cigarettes and bidis?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) to(c) Under the provisions of the Industries (Development and Regulation) Act, 1951 license to manufacture of cigarettes is required by factories where for manufacturing